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LEGISLATURE SAYS NO TO TAX INCREASES

Senate, House Committees Take Up Measures to Protect Families, Businesses

(LANSING) – By addressing measures that bring equity between non-resident and resident tax policy – along with common sense to the Michigan Tax Code, Republican legislators announced today they are saying no to any tax increases and will ensure that Michigan's tax policies work for Michigan families and businesses and not against them.

"During three Senate Finance Committee hearings, I heard first-hand from business leaders to economic development professionals to mom and pop business owners from across the state, and they all reiterate the same message: tax increases are bad for the economy, bad for business and bad for families," said Senator Nancy Cassis, chair of the Senate Finance Committee.

At a joint news conference conducted this afternoon, Senate Finance Committee members and House Tax Policy Committee members announced they are opposed to any tax increases, and will work to pass legislation that includes four legitimate tax policy changes.

"The state must live within its budget," said Representative Lorence Wenke, chair of the House Tax Policy Committee. "This means we will not raise taxes to pay for budget shortfalls. Creating the budget is a long process that requires compromise, but our commitment not to raise taxes is concrete."

Among the 15 tax policy changes announced by the administration earlier this year, joint committee members cite 11 as tax increases, with the other four being reasonable tax policy changes. Those changes are intended to create a level playing field between resident and non-

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resident tax policy.

"We took the governor to her word when she said she didn't want to raise taxes," said Cassis, R-Novi. "Today we stand shoulder to shoulder with her, and want her to know we are here to do the same work. We will not raise taxes on Michigan families and businesses."

"It is during tough times we should be bold, we should be creative and make Michigan more competitive," said Cassis. "Other states have huge deficits and think they can tax their way to recovery. That's the wrong solution. This is Michigan's opportunity to shine and win the race for jobs and economic prosperity."

"The budget is about protecting our priorities, and one of my priorities is to protect the working families in Michigan from unnecessary tax increases," said Wenke, R-Richland. "Tax law is complex, but we've read and studied and consulted with others to determine that 11 of the administration's proposals raise taxes on Michigan families and job providers."

House Bills 4566 and 4570-4576 were passed out of the Senate Finance Committee today and now await consideration by the full Senate.

"We can't – we won't – go back to the losing tax increase approach of the past," concluded Cassis.